



**Councilperson Celeste Friend**  
SOUTH UTICA - THIRD WARD



**cfriend@cityofutica.com**  
**315-725-5987**

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Everyone needs a place to live. And not just a place to live, but a good place to live. We all need a place that is safe, healthy, and where we can rest and relax, raise our families if we have them, and enjoy ourselves. Housing is a basic human need, and I believe that housing is a human right. The City of Utica recognizes this need and so participates in housing our residents in a variety of ways.

## The City of Utica and Housing



## **Public Housing**

Public Housing in Utica is administered by the Municipal Housing Authority (MHA). These are housing developments owned by all of us together and then rented out to our low income neighbors. You can visit their website here: <http://www.uticamha.org/> The MHA has ten housing developments located throughout the City, for a total of almost 1,000 housing units. Three of those ten developments are specifically designated for seniors and disabled persons. South Utica is the home to Gilmore Village, in the northwest corner of the district, nestled between Sunset Ave and the Arterial. To qualify for public housing, applicants must meet specific income qualifications (i.e., they must be low income). Their rent is then calculated to be 30% of their income. Public Housing is funded by a combination of grants, federal appropriations made by Congress, and ESG funds from The United States Department of Housing and Urban Development (HUD). The City of Utica and the Utica MHA are financially independent of one another. In other words, no money from the City budget goes to the MHA. Public Housing receives applications from far more eligible people than they have housing units.

Who counts as “low-income”? These numbers are set by the federal government, based on the “area median income” or AMI for a particular geographic area, called a Metropolitan Statistical Area. In the Utica-Rome, NY MSA, AMI for a family of four is \$72,400 in 2021. This means that half of the families in our area live on less than that, and the other half live on more than that. People who make 80% of AMI are considered “low-income”, people who make 50% of AMI are considered “very low-income” and people who make 30% of AMI are considered “extremely low income”. Low-income people and those who make even less are eligible for low-income housing. So a family of four with a combined income of \$57,900 or less, is eligible for subsidized housing. (A note on language: “affordable” housing and “low-income” housing are essentially interchangeable terms.)

## **Section 8**

“Section 8” is the common nickname for what is actually called the Housing Choice Voucher Program. It is a federally-funded program whereby low-income people and families can qualify to have their rent in privately owned apartments or houses subsidized. HUD funds and oversees this program. So, the housing units are owned by private landlords, but the rent is partially paid by the federal government. Because the government is, in effect, paying private landlords to help provide affordable housing, the government therefore requires that the housing meets certain safety criteria, called “Housing Quality Standards”. Landlords must qualify to receive these housing vouchers by maintaining their units in certain condition. Like public housing, Section 8 has long waiting lists –

demand is much higher than supply: the wait list is seven years! The City of Utica administers the Section 8 program, but does so with federal money. So on the Third Floor of City Hall there are City employees, paid for with HUD money, who constantly monitor the state of the apartments, as well as make sure that the people who qualify for the housing vouchers continue to be eligible.

### **Affordable/Low-income Housing**

So, public housing is owned and operated by the government. Section 8 is housing owned by private people or corporations, but that is paid for in part with housing vouchers from the federal government. Affordable Housing is housing that is owned by private people or corporations, but which is built and maintained in part with public grants. So, a company could receive a grant from the federal or state government in order to build an apartment building or housing development on the basis of an agreement to offer it to people within a particular income range. The new apartment building on Sunset Ave, owned by the Kelberman Center, is an example of this sort of housing.

### **Pilot Programs**

“Pilot” is an acronym for “payment in lieu of taxes”. It describes an arrangement between the owner of a property and the City, whereby rather than paying the standard property taxes, the owner instead comes to an agreement to make a different, lower payment. It is meant to provide an incentive to property owners to buy, develop, and own properties that might otherwise be too expensive. In other words, it lowers the overhead of owning property. The City has an incentive to offer such pilot programs for any combination of reasons. It can help to lure new businesses to the area, and thereby create jobs that might not otherwise be available to local residents. Or it might give housing developers an incentive to invest in new housing or in redeveloping buildings into new housing. Whether to offer a PILOT program is always a matter of doing a cost/benefit analysis. On the one hand, the City gives up some amount of property taxes. On the other hand, there may be benefits to having such development, such as housing, economic development, etc. The Common Council must approve all PILOT agreements.

### **Federal incentives for private home ownership**

When we think about government involvement in housing, the temptation is to think of it in terms of housing for low-income people: perhaps even to think of it as something that middle-class and wealthy Americans do for people less fortunate than them, a certain kind of collective charity. But this is not an accurate picture. For a long time, the federal and state governments have offered tax breaks to people who use a mortgage to buy a home. The interest on those mortgages is tax deductible. This means that home ownership, which is an important source of wealth accumulation to the middle class, is in part paid

for by government subsidies. So it simply isn't accurate (much less fair), to think of subsidies for low-income housing as charity to some people while home owners are not dependent on their fellow taxpayers. The fact is, the middle-class depends on government subsidies at least as much low-income people. (In fact, the federal government spends almost triple on the mortgage interest deduction as it does on Section 8!)

### **Homeless Shelters, Rent Relief, and the Like**

Some people, for a variety of reasons, simply do not have their own permanent homes. We may think of the homeless as "street people", but really it includes a variety of people who don't have secure, permanent housing. They may be living in motels, because they cannot afford a security deposit on an apartment, for instance. Or it can be a single mother with young children who stays with relatives after losing an apartment. Many people who are homeless suffer from mental illness. Others do not have stable work. And yet others may have been forced to flee abusive relationships. The reasons for homeless are varied. Utica has a number of homeless shelters, including The Rescue Mission, The Johnson Park Center, Evelyn's House, and Hull House. These shelters get funding from a number of sources, including ESG funds from HUD. The City does contribute some of this funding.

After the economic downturn brought on by the pandemic, many people worried that we would see a dramatic increase in homelessness. This has certainly been the pattern in the past. And because homelessness is difficult to address, it is better to try to prevent it in the first place. For that reason, in the Spring of 2020, Councilman Delvin Moody and myself brought a Rent Relief Resolution to the Common Council. It passed unanimously and expressed the will of the Council that the Emergency Solutions Grants (ESG) funds from the CARES Act should be used for direct rent relief to people who had been economically hurt by the pandemic. Our goal was simple: use these funds to keep people in their homes. It was also two-fold: help tenants as well as their landlords, many of whom are "mom and pop" landlords who may own an extra home or two and rent it out to subsidize their own income, save for a child's education, etc.



## Some Proposals for Housing in Utica

**Set Asides:** These are laws that require that new housing developments “set aside” a certain number of units for low-income people. The idea is that rather than only creating entire developments only for low-income people, we mix low-income units in with market-rate developments. This not only creates more low-income units, but it also ensures that we don’t segregate low-income people.

**Housing First:** This is an approach to homelessness. The conventional wisdom is that homelessness is a symptom of other problems that need to be addressed first. But “housing first” takes a different approach: it believes that first we need to house people, and until we do so, we can’t help people address their other problems, such as substance abuse or mental health. “Housing first” assumes that having a safe, secure, permanent place to live is a fundamental prerequisite to any kind of human flourishing. I agree.

**Lead:** Lead poisoning is a terrible problem in our City. In housing it is caused by old lead paint which gets into the air when we open and close windows and doors, as old paint wears away, etc. I believe that we need an ordinance that will require property owners to fully and quickly rehabilitate all properties for lead.

**Segregation:** like other cities in our country, Utica suffers from de facto segregation. We have concentrations of poverty, mostly in Cornhill and West Utica. Segregation is bad for everyone, and we need to pursue housing policies

which will desegregate our city over some reasonable time frame.

**Absentee Landlords:** We see it everywhere: landlords who do not take care of their properties. This is most problematic for people who are living in substandard housing, but it is also bad for all of us, who do not want to live in a City surrounded by run-down properties. We need laws that will hold landlords to high standards of property maintenance and that will allow the City to hold them accountable when they don't.

**Vacant properties:** now that housing prices are coming up here in Utica, this will become less of a problem. But the City is dotted with houses that are empty and often they are only barely meeting Codes. We need laws that will incentivize owners of vacant properties to sell or rent them.



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